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GENERAL HEADINGS.

Cases Reported this Week.

Current Topics.

The Public Trustee.

IN NOTICING the Report of the Public Trustee for the year ending 31st March, 1918, which has just been issued, we desire to express our regret at the breakdown in health, which, it seems, will for some time withdraw Sir CHARLES STEWART from the personal management of his office. We have not been slow to recognize that, whatever practical objections there may be, in a large class of cases, to putting trusts under official control, yet under Sir CHARLES'S auspices the office of Public Trustee has been widely attractive, and has been successfully administered. We shall be glad to hear of his restoration to health.

The Public Trustee's Report.

DURING THE past year there has been the usual large addition of business. The estates and trusts which have been accepted amount to £17,861,889, as compared with £16,544;193 in the previous year. But for purposes of current finance the position is adverse. Owing to existing conditions a loss of about £25,000 has been sustained on the year's working, partly by diminution of revenue, and partly by increased expenditure due to the war—£12,000 war bonus to the staff and £14,000 salaries of men serving with the Forces. And it is proposed to revise the present Fees Order, with a view to providing the necessary additional fee income to meet the resulting deficiency. All, no doubt, very right and proper from the point of view of the staff at home and on service; but what about the beneficiaries whose incomes are thus reduced, while they in turn have an increased expenditure to face? We have an impression that officials who have the power to levy on private funds are content to do so in order to meet the immediate demands upon them, without consideration of the ultimate incidence of the levy. The business under the Trading with the Enemy Act has given an income for the year of £57,697, against special expenses of £24,508. On this and the previous year there is over £90,000 in reserve to cover the cost of work in progress. We think it was Lord LINDLEY who said that it was the business of a trustee to commit judicious breaches of trust. The Public Trustee debits £2,000 under this head, including £1,500 advanced to a beneficiary (since deceased) in excess of power to advance; and he charges it against receipts. But a private trustee cannot always reimburse himself in this way, and in an ordinary case of accountancy we presume he would be surcharged. The Advisory Committee on Investments has continued to render honorary ser-

vices—services which the Public Trustee, fortunately, does not rate in accordance with the judicial dictum that gratis advice is worth exactly what is paid for it. It would be interesting to know on what principle the Public Trustee allots his investments to different trusts. Such knowledge would facilitate the framing of investment clauses in trusts for which he is appointed trustee.

The Company Law Report.

THE REPORT of Lord WRENBURY'S Committee on the Amendment of the Companies Acts is a document of great interest, but we can at present only call attention to some of its special features. The Committee was appointed last February by the Board of Trade—

> "To inquire what amendments are expedient in the Companies Acts, 1908-17, particularly having regard to circumstances arising out of the war and of the developments likely to arise on its conclusion, and to report to the Board of Trade and to the Ministry of Reconstruction."

The terms of the reference suggest that the employment of foreign capital was intended to be a leading subject for examination, and to this the Committee gave special attention. Their clear view is that there should be as little interference with the free attraction of foreign capital as possible. "The maintenance of London as the financial centre of the world is of the first importance for the well-being of the Empire"; and anything which tends to impede or restrict the free flow of capital ought to be jealously watched. This is the leading note of the Report in respect of foreign capital. Anything which will have a restrictive or deterrent effect is, as far as possible, to be avoided. But the general attitude which is to be adopted towards aliens is, as the Committee point out, a matter of high political and economic policy, and it was not within their province, "to inquire whether the traditional policy of this country to admit and welcome all who seek our shores and submit themselves loyally to our laws ought, in the case of some and what aliens, to be revised." But till the question of policy is determined, it is not possible to suggest the appropriate amendments of the Companies Acts, and the task of the Committee has thus been rendered more difficult. As already stated, their general opinion is against restrictions, but if they are to be admitted at all, a distinction should be made between (A) companies generally, (B) shipping companies, and (C) companies engaged in "Key" industries. It is pointed out that the system of trusts renders it very difficult to secure adequate disclosure of alien interests existing from time to time, and though a scheme for doing so, in case restrictions should be decided on, is outlined, the recommendation as regards companies in Class A is that no restrictions at all should be imposed; and, further, that, so far as the law of Joint Stock Companies is concerned, no discrimination should be made between aliens of different nationality. And as regards shipping companies, the Committee are opposed to the entire exclusion of aliens; though they might be excluded from more than 20 per cent. of the power of control; and the same limit is suggested for "Key" industries.

Issue of Shares at a Discount.

BUT AS the Committee say, the prior question as regards the restriction of alien capital and alien influence is one of policy, and it will have to be considered in relation to the possible damage it may do to this country, as well as in relation to national feeling, which is subject to variation; and also, we may add, in relation to the nature of the settlement which will follow the war. Turning from this question of policy, we note that the Report takes up several matters of great legal interest, such as the issue of shares at a discount, the contents of a memorandum of association, and the conclusive nature of a certificate of incorporation. It has long been one of the axioms of company law that shares cannot be issued at a discount: *Ooregum Gold Mining Co.* v. *Roper* (1892, A. C. 125): *i.e.*, that the issue leaves the allottee liable to pay the amount rebated: *Welton*, v. *Saffery* (1897, A. C. p 311). It is a mark of the open mind with which the Committee have approached their subject that this axiom is, in their view, out of date. It has been infringed in practice by allowing a company to accept property in payment of shares without proof of its equivalence in value. It has been infringed technically by the allowance of a commission for subscribing shares. The Committee say that the principle has gone in fact, and that to dismiss it formally is merely a question of expediency; and they are for dismissing it, but with a statutory limit of the discount allowable. Into the details of this we need not go. Lawyers are not unaccustomed to sudden changes, and it may be that company practitioners will have to face this upsetting of the foundations. It may be one of the tasks of "reconstruction" laboriously to build up the system of company law over again. Professionally we may be thankful that the process is not unattended with some substantial satisfaction in the shape of costs and fees. The converse to issue at a discount is the obtaining new capital by assessing an increased contribution from existing shareholders. Hitherto this has been done by the expensive and troublesome method of liquidation and reconstruction. It is proposed that this assessment shall be made practicable without reconstruction, subject to the existing right of dissentient shareholders to be bought out. But here the Committee stop, and they decline to countenance any relaxation of the law as to reduction of capital and payment of dividends out of capital.

The Memorandum of Association.

THE QUESTION of the diffuseness of a modern memorandum of association has been brought into prominence recently by the decision of the House of Lords in *Colman* v. *Brougham* (*ante*, pp. 534, 562). The Committee point out that, in order to make the powers of a company quite clear, it has become the practice to state not only the objects, but also the incidental powers of the company. They propose to bring back the memorandum to its proper function, and they recommend that the Companies Act, 1908, should be amended by providing—

> "That the memorandum of association must state the objects but must not state the powers of the company; that such powers of the company as it is thought necessary to state shall be stated in the articles; and that there should be introduced into the Act a section providing that every company shall have certain powers as detailed in the section, except in so far as the articles of association exclude them."

And the Committee propose that there should be power to go behind the registrar's certificate of incorporation, and that it shall be a ground for winding up if the statutory requirements in respect of registration and other matters have not been complied with. A minor matter is the proposed prohibition of paying directors' salaries free of income tax. The "private company," the Committee say, has justified its existence, and should be left undisturbed. As to alien financial influence the Report is too hypothetical, and, where it becomes practical, its suggestions are too complicated to be of any great immediate use; but on company law generally it affords ample scope for reflection.

Costs of Construction Summonses.

THE CASE of *Re Bucklon* (1907, 2 Ch. 406) was regarded at the time of its decision as something of an innovation, or, at all events, a pronouncement of the law of considerable importance, though it really did little more than apply an old principle to modern procedure. In that case KEKEWICH, J., whose knowledge of equity practice and procedure no one disputed, laid down three rules as to the costs of construction summonses for the guidance of the profession. The first rule, obvious enough to every lawyer, is that, where trustees seek by summons to obtain the direction of the Court, the costs of all parties are to be paid out of the estate. A second rule is that, where the application is made by some of the beneficiaries for the sake of convenience, and not by the trustees, the same rule applies. The third rule, which is the most important, is that, where the application is by a beneficiary who claims adversely to other beneficiaries, and who really uses the procedure by summons to get determined a question which, but for such procedure, would be the subject of an action commenced by writ, then the un-

successful party must pay the costs. This, in effect, is only applying to a construction summons the rule that, as between adverse litigants, the costs shall follow the event. In *Re Buckton* the case was held to fall within the second rule, on the ground that the application, though in form adverse litigation, was in substance an amicable procedure to determine a question which had to be settled for the benefit of all concerned, including the trustees. In *Re Halston* (1912, 1 Ch. 435), where the application was by executors to determine whether a devisee or the heir was entitled to certain real estate, EVE, J., applied the third rule, and ordered the unsuccessful respondent to pay the costs of the successful respondent, on the ground that, if he gave costs out of the estate, he would be making the successful party pay the costs of the unsuccessful party. In the recent case of *Re Fletcher* (reported *ante*, p. 740), the applicant claimed as specific devisee, but the summons was compromised, and ASTBURY, J., held that the case was covered by the second rule, partly because the executors could not assent to the devise until the question was settled, and partly because the other parties approved of the summons. It seems, therefore, that there is no clear line of demarcation between the second and third rules. The test of adverse litigation is illusory, since, all litigation between two claimants being adverse, the test is as uncertain as the rule itself. Perhaps the real meaning of the rule is this, and nothing more than this, that there are certain cases in which the costs of litigation between adverse claimants ought not to come out of the estate merely because the question happens to be decided on a construction summons, and in such cases it naturally follows that the unsuccessful claimant should pay the costs.

A Curious Passing-off Case.

THE CASE of *Harris* v. *Warren & Phillips* (35 R. P. C. 217) was styled by EVE, J., who tried it, as an action of "a novel and unusual, if not unprecedented, character." It was brought by Mrs. CARRIE JACOBS-BOND, the American composer, and others, against a firm of music publishers in London. It appeared that Mrs. JACOBS-BOND, in 1896, composed a song, "Write to me often," which, according to her, was without merit and had had substantially no sale. The English copyright of this song belonged to the defendants. In 1909 Mrs. JACOBS-BOND composed another song, "A perfect day," which, according to her, achieved conspicuous success, and had a very extensive sale throughout the world. Recently the defendants published an edition of "Write to me often," which they advertised as a charming song by CARRIE JACOBS-BOND, and as "now ready" and "an instantaneous success," and, as the plaintiff alleged, represented it to be a new song by Mrs. JACOBS-BOND. Thereupon the action was launched asking that the defendants might be restrained by injunction from representing that the old song, "Write to me often," was a new or recent work of Mrs. JACOBS-BOND, and from representing that they were authorized publishers of new or recent works of hers. Damages were claimed. EVE, J., said that the action was not based on libel or defamation, but was a passing-off action, and that Mrs. BOND was substantially in exactly the same position as a trader who alleges that his goods of one class or quality are being passed off by the defendant as and for his goods of another class or quality; but, he said, that to succeed in such an action the plaintiff must allege and prove the existence of the two classes, and unless he can do so he lays no foundation for his action; and that "assuming—though by no means conceding—that it would be possible for an artist or author to establish a clear and definite line of demarcation between work executed before and after a particular date," no such line of demarcation had been alleged in the pleading, and it was not alleged that the earlier works were inferior to or of a less commercial value than the later works. He held that the plaintiffs had neither alleged nor proved the matters essential for success in the action, and he dismissed it with costs. It is noticeable that the plaintiffs tendered evidence to prove (1) that the artistic merits of Mrs. JACOBS-BOND'S old work were inferior to those of her later work, and (2) that the later works are commercially of more value than the older ones; but this evidence the learned Judge refused to admit. It appears to us that this evidence, if admitted, would have tended to establish a "line of demarcation," and that it should have been admitted, subject to an amendment of the statement of claim. We should not be greatly surprised if the case went to the Court of Appeal.

Defence of the Realm Regulations Overriding War Statutes.

SINCE *Zadig's case* (61 SOLICITORS' JOURNAL, 443; 1917, A. C. 260) was decided by the House of Lords—Lord SHAW in a well-known judgment dissenting—it has been established that the Crown can by Order in Council, purporting to be made for war purposes, override the most fundamental constitutional principles; and on this authority it may be correct to say that the Crown can in the same way override even a recent statute passed specifically for war purposes should its procedure be found to be inappropriate or inconvenient. This seems to be the explanation of the new Defence of the Realm Regulation 34B, which we print elsewhere. Under the Munitions of War Act, 1915, provision is made for the reference of disputes in munition works; this may either be in pursuance of agreement outside the statute, or to one of the arbitration tribunals mentioned in Schedule I. to the statute. The new regulation empowers the Minister of Labour, where there is difficulty in obtaining an award, to cancel any such reference and substitute a reference to a single arbitrator appointed by himself. Seeing that one of the scheduled statutory modes of reference is, in default of a single arbitrator agreed upon by the parties, to such an arbitrator appointed by the Board of Trade, the object of the new regulation is not at once apparent. But from a legal point of view the interest lies in this assumption of the Executive to override a statute passed *in pari materia*. We should have thought that the Legislature, by specifically assuming seisin of the matter, had removed it out of the sphere of administrative order.

Divided Sovereignty and a League of Nations.

ONE OF the most difficult questions connected with the proposal to form a League of Nations is, how the super-national authority of such a League is to be reconciled with the separate sovereignty of the constituent States. An interesting preface to its discussion was contained in an article by Mr. CHARLES SEIGNOBOS in *The New Europe* for 4th April last (Vol. 6, p. 353)—"The League of Nations, (1) The Obstacle of National Sovereignty." Either the continuation has been delayed, or we have missed it. Viscount GREY, in his recent pamphlet (*ante*, p. 614), stated that the formation of the League would necessarily involve a limitation of powers now claimed by States; its advantages must be earned by sacrifice. We note that an interesting discussion of "The Division of Sovereignty," with illustrations taken from the United States and elsewhere, is contributed to the current *International Law Notes* by Prof. SIMEON E. BALDWIN, of Yale University. It includes an account of the *régime* set up by the "General Act" of the United States, Germany, and Great Britain, adopted at Berlin in 1889, "providing for the neutrality and autonomous government of the Samoan Islands." This was assented to by the then "King of Samoa," and Prof. BALDWIN treats it as a case of divided sovereignty—half being in the Samoan chieftain and the rest in the three Great Powers jointly. "If," he says, "three Governments can, without any great adverse criticism from other Powers, create such a division of Governmental functions in territory not belonging to them, why cannot more Governments—and even all Governments—enter into a 'General Act' to secure the peace of the world? And if this be essayed, would there not be in substance, if not in name, a severance of sovereignty?" But whatever be the answer to this and similar questions, and whatever the difficulties to be overcome, it is well to note Sir JOHN MACDONELL'S plea in this month's *Contemporary Review*—"The League of Nations in Jeopardy"—that something definite should be done by the Entente Powers at once. The

League, to be strong, must be of gradual growth, but it is important not to let the present tide in its favour ebb with nothing accomplished. "A great idea," says Master MACDONELL, "having entered the world, let it not vanish in misty sentiment, or fail by trying too much."

German Shipping Legislation.

By CHARLES HENRY HUBERICH, J.U.D., D.C.L., LL.D., of the United States Supreme Court Bar, and RICHARD KING, Solicitor of the Supreme Court, London.

THE shipping legislation enacted during the war in the German Empire is part of the general scheme of preparation and organisation for trade after the war. Its aim is the rebuilding of the merchant marine lost during the war, and the control of shipping by German-owned companies in the interest of German commerce. The various enactments published up to 20th June, 1918, are noted below.

SHIP SUBSIDIES.

Various plans were suggested in regard to rebuilding the German merchant marine. It was suggested by some that shipping be made a State monopoly; but the Government rejected this plan on the grounds that shipping was not suited to such centralized control, and the effect of such monopoly would be to threaten German trade with the loss of the possibilities of expansion upon which its greatness has been based. In the law discussed below the Government has, however, reserved the right to participate in profits, the details to be fixed by a later enactment.

The plan of direct loans at interest out of Government funds to the shipping companies to an amount of about 300,000,000 marks was also discussed, but after the entrance into the war by the United States and Brazil this plan was abandoned.

The plan finally adopted was that of a subsidy to shipowners who had sustained losses on account of the war, and this is embodied in the Law of 7th November, 1917, concerning Rebuilding of the German Merchant Marine.(1) This was supplemented by an Ordinance of 7th February, 1918.(2)

This Law authorizes the Imperial Chancellor to grant aid to owners of merchant vessels, coming within the meaning of such vessels under the Flag Law of 22nd June, 1899(3):

1. To pay damages if the vessel was lost or suffered considerable damage after 31st July, 1914, by reason of the acts of foreign Governments or of warlike events; or

2. To reimburse expenditures made for the upkeep of the vessel detained in foreign ports, and for port dues, seamen's wages and maintenance.

By "considerable damage" as used in sub-section 1 is meant damage the repairing of which will equal at least one-half the pre-war value of the vessel (Section 1). The losses of personal effects of the crew may also be reimbursed according to a fixed schedule (Section 2).

The amount of the subsidy is to be determined upon the basis of the proved losses of owners and crew, and in accordance with a Shipping Compensation Law to be hereafter enacted. The question as to whether, and, if so, to what extent, the Government shall participate in the profits of ships built under subsidy, and as to restrictions to be imposed on the operation of these vessels, is left to future legislative action.

Where the owner of the vessel receives a subsidy, and subsequently recovers compensation under an insurance contract, or otherwise, the amounts so received shall be paid to the Government. Furthermore, any compensation received from a foreign State, for the seizure, detention or requisition of the ship, shall constitute a fund out of which the amount of the subsidy must be repaid to the Government (Section 5). Similarly, if the vessel be restored to the owner, the amount of the subsidy must be repaid, or the owner must repay the same in instalments with 5 per cent. interest (Section 6).

Vessels on account of which a subsidy has been given may not be transferred to aliens, to foreign companies, or to Germans having their domicile or residence abroad, within ten years of the date of registration, except with the consent of the Imperial Chancellor; nor can such vessels be chartered to aliens either on time or voyage charters, or any cargo space be allotted as to voyages between foreign ports, except with the consent as aforesaid. The penalty for a violation of this section is imprisonment not exceeding three years, or a fine not exceeding 50,000 marks, or both (Section 7).

The Commission to pass on claims under the Law consists of seven regular members and seven substitutes, of whom one regular member and one substitute must have the qualifications for high judicial or administrative office. A quorum consists of five members, including a regular or substitute member having the special qualifications just mentioned. Decisions are by majority vote. The Commission has the ordinary powers of a court to summon witnesses, require the production of papers, and the like (Section 8). There are no costs, except in the event of a false claim being presented (Section 9). The proceedings are secret, and any person violating the provision of secrecy may be punished by a fine not exceeding 1,500 marks, or by imprisonment not exceeding three months (Section 10).

For the fiscal year of 1917 the sum of 300,000,000 marks was appropriated for the purposes of carrying out the provisions of the Law (Section 12). It is estimated that from one and one-half to two thousand million marks (£75,000,000 to £100,000,000) will be required for the subsidies.

A schedule appended to the Law contains the regulations for its administration. Subsidies are to be paid only for cargo-ships or for passenger ships having large cargo space. Compensation paid where a ship is considerably damaged (see section 1) must be devoted to the repair of such ship, unless the ship is irretrievably injured. New ships acquired since 31st July, 1914, to replace lost vessels are subject to the same conditions as replacement vessels to be constructed or bought in the future.

The scale of compensation is the value of the vessel and accessories lost as of 31st July, 1914. Where the cost of replacement exceeds the cost of construction that would have been paid on 25th July, 1914, additional grants may be made to cover the extra cost. In estimating these, the financial condition of the owners, the age of the vessel, and the contract price of the new vessel must be considered. The proportion of the excess cost payable by the Government is 50 to 70 per cent. for vessels delivered within one to four years after peace, and from 20 to 55 per cent. for vessels delivered within from five to nine years after peace.

Half the pre-war value of a ship, cost of maintenance in foreign ports, &c., is payable immediately after the decision of the Commission is rendered, and must be devoted to a contract for the purchase of new tonnage within three years. Security is required. The second half is payable upon approval of the new construction contract and the determination of the excess cost.

No compensation is payable for damage caused by the negligence of the owner. Where the loss occurred as the result of a voyage made after the outbreak of war and with knowledge of the existence of hostilities, compensation may be made only under the Law of 1873.

One of the first results of the Law was the placing of orders for some 150,000 tons of new vessels. A number of shipping banks have also been organized to finance ship construction. Among these may be mentioned the Deutsche Schiffpfandbrief Bank of Berlin, the Deutsche Schiffskreditbank of Duisburg, and the Deutsche Schiffsbeleihungsbank of Hamburg, each with a capital of 10,000,000 marks, and under the protection of the principal German banking interests.

SALE OF SHIPS.

The sale of German merchant vessels, or of an interest therein, was prohibited by an Ordinance of 21st October,

(1) Reichsgesetzblatt (1917), 1025.
(2) Reichsgesetzblatt (1918), 77.
(3) Reichsgesetzblatt (1899), 319.

1915, [4] where the purchaser was not a German subject. The building of vessels in German shipyards for aliens, or for companies having their principal place of business in a foreign country, was prohibited, as were also charters covering more than one-third of cargo space.

In the memorandum presented to the Reichstag, regarding this legislation, it was pointed out by the Government that sales to neutral countries during the war were contrary to German interests in that an increase in available tonnage and the resulting reduction in freight rates would be of advantage to the enemy, and such sales would, moreover, seriously handicap German commerce after the war.

The prohibition was subsequently extended to the transfer to or building on behalf of aliens of river and coastal vessels, and vessels used in inland waterways. [5]

Both of these Ordinances have been superseded by enactments of 17th January, 1918, promulgated on 22nd January, 1918. The Ordinance concerning the Sale of Ships to Foreign Countries [6] provides in section 1:—

> Juristic acts by which the ownership of German merchant vessels (Law of 22nd June, 1899, § 1; Reichsgesetzblatt, (1899), p. 319; Reichsgesetzblatt (1901), p. 184) is to be transferred in whole or in part to aliens, or which create an obligation to make such transfer, are prohibited.
>
> The same prohibition applies to juristic acts by which the ownership of merchant vessels in course of construction for a German subject, or for an association having its principal place of business within the country, is to be transferred to aliens, or which create an obligation to make such transfer.
>
> Furthermore, juristic acts under which vessels of the kind specified in sub-sections 1 and 2 are to be acquired on behalf of aliens, or under which merchant vessels are contracted to be constructed for an alien, or for an association having its principal place of business in a foreign country, are prohibited.
>
> An acquisition of ownership under an execution order is equivalent to acquisition under a juristic act within the meaning of the provisions of sub-sections 1 to 3. The acquisition by or construction for a German subject not having his domicile or permanent residence within the German Empire is to be regarded as an acquisition by or construction for an alien; the same rule applies as to acquisition by, or construction for, associations having their principal place of business in a foreign country, or the major portion of whose capital belongs to aliens.

Section 2 imposes a penalty of imprisonment not exceeding three years, or a fine not exceeding 50,000 marks, or both such imprisonment and fine, for violation of the Ordinance, and applies to German subjects committing such acts abroad. Attempts are punishable.

As in other cases, the Imperial Chancellor may grant exceptions to the application of section 1 (section 3), as was done, *e.g.*, in the case of the sale to the Argentine Government of *The Bahia Blanca* (Hamburg-South American Line), which had been at Port Madryn since 21st August, 1914.

The Ordinance of 17th January, 1918, concerning the Sale of Ships used on Inland Waterways [7] provides in section 1:—

> All juristic acts by which the ownership of vessels designed for use on the rivers or other inland waters (inland ships) is to be transferred in whole or in part by a German subject or by an association having its principal place of business within the country, or which create an obligation to make such transfer, are prohibited.
>
> The same prohibition applies to juristic acts by which the ownership of inland vessels in course of construction for a German subject, or for an association having its principal place of business within the country, is to be transferred to aliens, or which create an obligation to make such transfer.
>
> Furthermore, juristic acts under which inland vessels the property of German subjects, or of associations having their principal place of business within the country, or inland vessels of the kind specified in sub-section 2 in course of construction are to be acquired on behalf of aliens, or under which inland vessels are contracted to be constructed for an alien or for an association having its principal place of business in a foreign country, are prohibited.
>
> In respect of inland vessels registered in a German ship register and having a cargo capacity of more than 15,000 kilos, or of vessels in course of construction and of the kind specified in sub-section 2, and having a cargo capacity of the amount indicated, no contract may be entered into:—
>
> 1. Where the charter parties or freight contracts provide for carriage of goods aggregating more than one-third of the net cargo space or carrying capacity of such vessel, except where the transportation is exclusively from or to inland ports;
>
> 2. Where the same provides for the use of such vessel by an alien for purposes other than the carriage of goods.
>
> An acquisition of ownership under an execution order is equivalent to acquisition under a juristic act within the meaning of the provisions of sub-sections 1 to 3. The acquisition by or construction for a German subject not having his domicile within the German Empire is to be regarded as an acquisition by or construction for an alien; the same rule applies as to acquisition by or construction for associations having their principal place of business in a foreign country, or the major portion of whose capital belongs to aliens. Such associations and German subjects of the class specified are in the same position as aliens within the meaning of sub-section 4, No. 2.

Section 2 prohibits changing the home port of a vessel coming within the description contained in section 1 to a foreign country. The penalties are the same as in the case of ocean vessels, and the Imperial Chancellor has the usual powers to grant licences.

Sale of Interest in Shipping Companies.

The sale of shares and other interests in German shipping companies was prohibited by an Ordinance of 23rd December, 1916. [8] This Ordinance has now been superseded by the Ordinance concerning Sale of Shares or other Interests in German Ocean or Inland Shipping Companies, of 20th January, 1918. [9] Section 1 of this Ordinance provides:—

> Juristic acts by which shares or other interests in German ocean or inland shipping associations are wholly or in part transferred by a German subject or by an association having its principal place of business within the country to an alien, or which create an obligation to make such transfer, are prohibited.
>
> The same applies to juristic acts by which shares or interests of the nature specified are to be acquired for an alien from a German subject or from an association having its principal place of business within the country.
>
> An acquisition of ownership under an execution order is equivalent to acquisition under a juristic act, within the meaning of the provisions of sub-sections 1 and 2. The acquisition of ownership by or on behalf of a German subject not having his domicile or permanent residence within the German Empire is to be regarded as an acquisition by or on behalf of an alien; the same rule applies as to acquisition of ownership by or on behalf of associations having their principal place of business in a foreign country or the major portion of whose capital belongs to aliens.

The penalty for violation of the Ordinance is imprisonment not exceeding three years, or a fine not exceeding 50,000 marks, or both, and German subjects are punishable for a violation

(4) Reichsgesetzblatt (1915), 685. Amended by Ordinance of 17th February, 1916; Reichsgesetzblatt (1916), 107.

(5) Ordinance of 26th June, 1916; Reichsgesetzblatt (1916), 587.

(6) 17th January, 1918; Reichsgesetzblatt (1918), 39.

(7) Reichsgesetzblatt (1918), 40.

(8) Reichsgesetzblatt (1916), 1429.

(9) Reichsgesetzblatt (1918), 42.

of the Ordinance, even if the act was done in a foreign country (Section 2.) The Imperial Chancellor may grant exceptions to the operation of section 1 (Section 3).

OTHER LEGISLATION.

An Ordinance of 6th July, 1916,[10] prohibits German vessels from engaging in the carrying of freight between two foreign ports. The penalties are the same as in the other Ordinances.

Reviews.

Election Law.

THE REPRESENTATION OF THE PEOPLE ACT, 1918, WITH EXPLANATORY NOTES. By SIR HUGH FRASER, LL.D., a Bencher of the Inner Temple. (Sweet & Maxwell, Limited.) 25s. net.

It is more important to bring this book quickly to the notice of the profession than to attempt a minute examination of its contents," or a criticism of the author's method and conclusions. His method is to set out the whole of the recent statute verbatim, and under each section to explain its provisions and state any relevant authorities. In order to make the notes furnish a ready guide to the meaning of the Act, the particular words with which the note is dealing are printed in thick type. In some of the more important sections the reader will find himself assisted by the formulation of the statutory requirements in a series of propositions. This method is adopted particularly in Part I. of the Act, which deals with franchises. The women's franchises are defined in section 4, and the author gives a detailed and clear account of the statutory qualifications.

Sir Hugh Fraser anticipates that questions of difficulty will arise as to the interpretation of some of the sections, and in such cases the Courts will be guided by the decisions on provisions in similar language in repealed statutes; and these, as just stated, are referred to. The book also deals with the method and costs of elections, and with corrupt and illegal practices. The Registration Rules are annotated where necessary, and the author has kept in view the duties and difficulties of the registration officer. The appendices contain the recent Supreme Court and County Court Rules and other useful matter so far as available; and in addition to matter which is of immediate practical importance, the author gives in Appendix IV. the draft rules as to Proportional Representation, and in Appendix V. the Report of the Speaker's Conference. Altogether the book is a very complete and useful guide to questions relating to the Parliamentary and Local Government Franchises. Sir Hugh Fraser does not appear to discuss the eligibility of women for Parliament. Probably he thinks the matter too clear for discussion. All we find is that, "if a nomination paper appears on the face of it to be an abuse of the right of nomination, *e.g.*, if it purports to nominate a woman, the returning officer should reject it," and he refers to *Harford* v. *Linskey* (1899, 1 Q. B. 852), a municipal election case, which contains a *dictum* (WRIGHT and BRUCE, JJ.), to this effect.

CASES OF THE WEEK.

Before the Vacation Judge.

Re **BARCLAY'S BANK (LIM.).** 14th August.

COMPANY—AMALGAMATION OF TWO BANKS—"COMPROMISE OR ARRANGEMENT PROPOSED BETWEEN A COMPANY AND ITS MEMBERS"—SANCTION OF COURT TO SCHEME OF ARRANGEMENT AND REQUISITE SUB-DIVISION OF SHARES—COMPANIES (CONSOLIDATION) ACT, 1908 (8 ED. 7, C. 69), S. 120.

Two banks decided to amalgamate, and the purchasing bank agreed to transfer certain of its "B" share capital as part of the purchase price. The "B" capital had not been issued at par, and the liability for calls was not the same on all the shares that had been issued. A scheme was devised with the object of equalizing the liability in the event of calls, and placing the old and the new "B" shareholders on the same footing.

Held, that such a scheme between a bank and its members was an "arrangement" within the meaning of section 120 of the Companies (Consolidation) Act, 1908, and the Court had therefore jurisdiction to sanction it.

In the course of the negotiation for the amalgamation of Barclay's Bank (Limited) with the London, Provincial and South Western Bank a difficulty arose, in order to meet which a scheme was devised between Barclay's and its "B" shareholders, and a petition was presented by Barclay's Bank (Limited) to obtain the sanction of the Court to the scheme under section 120 of the Companies (Consolidation) Act, 1908, so as to make the proposed scheme binding upon every individual shareholder of the company, whether he assented to it or not. The only question was whether in the circumstances section 120 had any application at all. Barclay's Bank (Limited) was incorporated in 1896, and its present capital was 13½ millions, divided into "A" and "B" shares. The "B" capital amounted to £10,800,000, and was divided into shares as to some of which £4 had been paid, and as to the rest only £1. The capital of the London, Provincial and South Western Bank was 7½ millions. The scheme provided for the sub-division of the issued "B" shares of the purchasing bank in such a way as not to leave a greater liability in the event of a call on them on the old shareholders than there would be on the new shareholders. The adoption of the scheme had been agreed to by the requisite majority of shareholders at a special meeting, but there were a few shareholders who opposed it. Younger, J., had held, in the case of the Guardian Assurance Co., that a scheme of arrangement which was practically identical with the present one was not an "arrangement" within section 120 of the Act of 1908 at all, and therefore dismissed the petition. On appeal (61 SOLICITORS' JOURNAL, 232; 1917, 1 Ch. 431) his decision was reversed. On behalf of the petitioning bank the *Guardian Assurance case* was relied on, and it was submitted that this scheme was within the scope of the Act, as what was proposed to be done, though not a "compromise," was an "arrangement proposed between a company and its members" within the meaning of section 120 of the Act of 1908. No one appeared to oppose the petition.

ROCHE, J., said that in the course of the negotiations for the amalgamation a serious difficulty arose, in order to meet which the present scheme was necessitated. The proposed amalgamation of the two banks had for its object the absorption by the purchasing bank of the business and assets of the vendor bank, and was to be effected (*inter alia*) by transferring to the vendor bank as the purchase price "B" shares. It was enough to say that in order to do this a scheme by which the liability for calls would be equalized in the case of the new and the old "B" shareholders had been devised, and the question was whether such an arrangement was one within section 120 of the Act at all. He was satisfied that the arrangement proposed was within the scope of the section, and that he had jurisdiction to sanction it. He should therefore, following the decision of the Court of Appeal in the *Guardian case*, pronounce for the scheme in the terms of the prayer.—COUNSEL, in support of the petition, *Hon. Frank Russell*, K.C., and *Ashworth James*. SOLICITORS, *Johnson, Raymond-Barker & Co.*

[Reported by ERSKINE REID, Barrister-at-Law.]

Court of Criminal Appeal.

REX *v.* **TWISS.** 20th August.

EVIDENCE—CHARGE OF GROSS INDECENCY—PHOTOGRAPHS—"IMPLEMENTS" USED BY PERSONS GENERALLY IN COMMITTING THE PARTICULAR OFFENCE WITH WHICH PRISONER WAS CHARGED—ADMISSIBILITY.

The appellant, who was charged with gross indecency with male persons, appealed against a sentence on the ground (1) *wrongful admission of evidence,* (2) *misdirection, and* (3) *the fact that one or more of the jury had spoken with one of the prosecutors, the male persons in question, and also with a witness for the prosecution during the adjournment of the Court.*

Held, that even if the photographs had been actually shewn to the jury, which was not in fact the case, although evidence of their character was given before the jury during the discussion as to their admissibility, the photographs, which were those of naked boys, could have been put in as being "things" which were usually found in the possession of persons who made it a business to commit the offence of which the prisoner was charged, as, for example, the possession of a jemmy or a bunch of skeleton keys found on a man charged with burglary. That there had been no misdirection, and, lastly, that there was no evidence that the conversation by the juror had led to any miscarriage of justice.

Principle as to the admissibility of evidence of this character as laid down in Rex *v.* Thompson (62 SOLICITORS' JOURNAL, 267; 1918, *A. C.* 221) *considered and applied.*

Appeal by Perry Joseph Twiss, who was convicted at Chester Assizes before Coleridge, J., and sentenced to nine months' imprisonment in the second division under circumstances that sufficiently appear from the headnote. In support of the appeal it was argued on the first point that evidence that went to shew general bad character or that the accused had been already convicted of a similar offence was inadmissible, and that the evidence given in *Rex* v. *Thompson* (*supra*) was ruled admissible only because the question there was one of identity and the defence an *alibi*. Accordingly it was inadmissible here, but the mischief was done by the secondary evidence given as to the character of the photographs, and there was no proper direction to the jury on that point. On the third ground of appeal, *Rex* v. *Ketteridge* (59 SOLICITORS' JOURNAL, 163; 1915, 1 K. B. 467) was relied on. On this point Darling, J., said he thought it unfortunate that no proper arrangements were made for providing refreshments for jurors, who were often compelled to go out to public restaurants. He should like to make it known that when he was trying any case of importance he tried to ensure that they should lunch together in private.

DARLING, J., in delivering the judgment of the Court, said: It was contended, in the first place that evidence was wrongly admitted—namely that certain indecent photographs were found on the appellant at the time of his arrest. These photographs were not admitted in evidence in the sense of being shewn to the jury, but it was contended that secondary evidence of them was before the jury, for evidence of their character was given by counsel during the discussion as to

[10] Reichsgesetzblatt (1916), 673.

their admissibility. It was not necessary to discuss the effect of this, because the Court was of opinion that these photographs would have been admissible in evidence if they had been tendered. The case of *Rex* v. *Thompson* (1918, A. C. 221) shewed that evidence of the possession of such things as these was admissible on the trial of offences of this kind, where the only defence was that of an *alibi*. *A fortiori* it was admissible in such a case as this. *Rex* v. *Thompson* (*supra*) did not mean to confine the admissibility of evidence of this character to cases where the only defence was one of identity. The evidence was admissible here as evidence of the possession of the implements generally used by persons in committing these offences, just as evidence of the possession of house-breaking tools by the accused was evidence on a charge against him of burglary. As to the second point, the Court was satisfied that the alleged misdirection had not been shewn. Then as to the last ground of appeal. Up to the year 1897 juries were not allowed to separate in the case of felony after the trial had begun; but the tendency of the Legislature had been to trust jurymen more, and in that year the Juries Detention Act was passed, which allowed juries to separate during adjournments, except in trials for murder. The Legislature could not be thought to have assumed that jurymen in an assize town, meeting all their friends at lunch, would never speak about the case they were trying; the Legislature must have contemplated that they would do so, and yet had deliberately allowed them to separate. The case of *Rex* v. *Ketteridge* (*supra*), which had been cited, was a different case. What was said here was explained satisfactorily to Coleridge, J., and there was no evidence that anything that was said on either occasion prejudiced the appellant. The appeal failed. He desired to add this, that although it was permissible for jurymen to walk about during adjournments, it was most undesirable that they should discuss the trial with anyone except themselves.—COUNSEL, for the appellant, *Sir Ellis Griffith*, K.C., and *Trevor Lloyd*; for the Crown, *Artemus Jones* and *Ralph Sutton*. SOLICITORS, *W. Pingree Ellen*, for *J. G. Laurence*, Liverpool; *G. Livsey*, Wallasey.

[Reported by ERSKINE REID, Barrister-at-Law.]

CASES OF LAST SITTINGS.

Court of Appeal.

FEUERHEERD *v.* LONDON GENERAL OMNIBUS CO. (LIM.). No. 2. 30th July.

PRACTICE—DISCOVERY—STATEMENT OBTAINED IN CONNECTION WITH ACTUAL OR APPREHENDED LITIGATION—PRIVILEGE.

Where a document has come into existence for the purpose of being laid before a party's solicitor in connection with actual or apprehended litigation, it is a privileged document.

The fact that the party giving the information was under a misapprehension that the information was obtained for the benefit of the party who took it down does not, in the absence of fraud or "trickery," destroy privilege.

So held, following Southwark Water Co. *v.* Quicke (3 *Q. B. D.* 315).

Decision of the Irish Court in Tobakam *v.* Dublin Southern District Tramway Co. (1905, *Ir. Rep.* 58) *dissented from.*

Appeal from an order of Lush, J., in chambers, refusing to order discovery of a certain document under circumstances which appear from the judgment.

PICKFORD, L.J., said there was a collision between a taxi-cab and an omnibus belonging to the defendants. Two ladies were passengers in the cab, and they intended to bring an action against the defendants. Soon after the accident a gentleman, who was the claims inspector of the defendant company, called on these ladies. The London General Omnibus Co. were their own insurers in accidents of this kind, and they had claims inspectors just as insurance companies had. It so happened that the ladies were expecting their own solicitor, and they were under the impression that this gentleman was their own solicitor, and made a statement to him and signed it. The question was whether the defendants ought to produce it. There was no question, or at any rate no evidence, that the statement was obtained by any sort of deceit on the part of the gentleman who took it, and therefore on that ground privilege could not be claimed, and the Court would take it as being a statement honestly obtained. Now the evidence was that this gentleman did not say who he was, but he got the statement, and the assistant secretary to the company had sworn that it was obtained for the purpose of laying it before the solicitors of the defendant company for their information—"for the defence of the action then anticipated and apprehended, and since begun (to wit, this action), and for the purpose of obtaining for or furnishing to the said solicitors information as to how and of whom evidence in the said action could be obtained, and as to the nature of such evidence or otherwise, for the use of the said solicitors, to enable them to conduct the defence of the said action and to advise the defendant company in reference thereto." According to the ordinary practice that evidence would be conclusive. But the appellant submitted that the statement was a document which must be disclosed, because the principle of privilege only applied where the statement was intended by the person who made it to be made for the benefit of the principal of the person who took it. He could find no authority for that contention. He thought that the point was correctly dealt with in Bray on Discovery, under the heading of "As to distinguishing between the production of materials for evidence and the doctrine of professional privilege." Applying the principle there laid down to the present case, he thought the statement taken down was privileged as being material obtained for the purposes of a brief for counsel. The privilege claimed was the privilege of the litigant; it was either a privilege for something communicated to his solicitor for his benefit, or it was a privilege so as not to disclose the materials of defence. In either case the privilege was quite independent of the intention of the person who made the statement. That view was in accordance with *Southwark Water Co.* v. *Quicke* (3 Q. B. Div. 315); but there was the Irish case of *Tobakam* v. *Dublin Southern District Tramways Co.* (1905, 2 Ir. Rep. 58), the other way. He thought the appeal failed.

BANKES, L.J., in agreeing, said he thought that Lush, J., was quite right in preferring to follow *Southwark Water Co.* v. *Quicke* rather than adopt the view of the Irish Courts. It was pointed out by Brett, J., that, if a document had come into existence merely as material for the brief or merely for the purpose of being laid before the solicitor for his advice or consideration, it was a privileged document; and in the present case that was shewn to be the case by the affidavit referred to above. He thought the fact that the information was communicated under a misapprehension made no difference, unless, of course, the misapprehension was caused by the fraud or improper conduct of the person obtaining the information. Dealing with the case as that of a person who made a statement under a misapprehension merely, the rule that it was privileged, he thought, applied.

SCRUTTON, L.J., was of the same opinion. According to the English rules of procedure which governed this question, if a party to the proceedings swore that a document was obtained by his agent for the purpose of pending litigation for submission to his solicitor for litigation anticipated or actual, the oath was conclusive. He had known as regards such an affidavit a question to be raised at the trial as to the document being produced, but he had never known of such a statement in an affidavit to be investigated by the Court. It was to be hoped that assistant secretaries of these big companies appreciated, when their solicitors put an affidavit of documents before them, they were speaking to a number of facts on which their statement was to be founded, and which they must investigate before they swore to them; but that was the attitude of the Court towards the affidavit that the party made in the matter of discovery. He agreed with the remark of Gibbon, J., in the Irish case to the effect that the matter was one that should be decided by common sense. It would be desirable if all proceedings in these Courts were governed by common sense; but, as a matter of fact, they were governed by a thousand pages of the White Book, and it was from the rules in the White Book and the numerous authorities explaining them that the Court had to decide whether a case came under a particular form of procedure or not, and it was on the rules and the authorities explaining them that the case had to be decided. He was unable to agree with the reasoning of the Irish Court. The rules in Ireland might be different; but, if they were the same as in England, the course of the English authorities appeared to him to be quite in conflict with this decision, and the Court would not be able to follow it.—COUNSEL, for the appellants, *Barnard Campion*; for the respondent company, *Harold Brandon*. SOLICITORS, *W. Norris & Co.*; *Joynson-Hicks, Hunt, Cardew & McDonald*.

[Reported by ERSKINE REID, Barrister-at-Law.]

BRADFORD OLD BANK (LIM.) *v.* SUTCLIFFE (a Lunatic found by Inquisition). No. 2. 12th, 15th, 16th and 30th July.

SURETY—LUNACY OF SURETY—LIABILITY ON A BANK GUARANTEE—NOTICE TO CREDITOR TO TERMINATE GUARANTEE—LIMITATION—NOVATION.

A surety guaranteed the loan account and the current account of a company with a bank, and against depreciation of debentures of the company deposited with the bank as security. The surety became insane when there was a balance due on the loan account. The bank had notice of the lunacy, but no notice to determine the contract was given by the lunatics' committee, although there was a clause in the contract that the guarantee should not be determined unless three months' notice was given by the surety or his representative. The contract made no provision for the case of lunacy.

Held, that the liability of the surety on the continuing guarantee was determined by his lunacy, and the guarantee ceased to be operative, but that his committee was liable for the amount of the loan account which had accrued due at the time when he became a lunatic.

Decision of A. T. Lawrence, J. (62 SOLICITORS' JOURNAL, 404) *affirmed.*

Appeal by the defendant, Albert Sutcliffe, from a judgment of A. T. Lawrence, J. (reported *ante*, p. 404). The action was commenced by the bank against the defendants, Frank and Albert Sutcliffe, who were brothers and directors of Samuel Sutcliffe & Co. (Limited), of Bradford. The company were customers of the plaintiffs, and it was arranged, in July, 1894, that debentures of the company, to the amount of £6,100, should be lodged with the plaintiffs as security for advances, together with a continuing guarantee by the two directors against depreciation of the security. The company had two accounts at the bank—a loan account and a current account. In August, 1898, the defendant became insane, and was so found by inqui-

sition. In December, 1899, formal notice thereof was given to the bank and the order in lunacy exhibited to the bank and noted in their books. Albert Sutcliffe was appointed committee of his brother's person and estate, and he opened a separate account entitled Re Frank Sutcliffe, a lunatic. Both accounts of the company were continued as before, and at this date the amount due upon the loan account was £3,400 and upon the current account £269. In 1907 the bank was amalgamated with the United Counties Bank (Limited), which purchased all the assets and securities of the plaintiff bank, and a note was made in the books to that effect. The two accounts, which then stood at £3,600 and £900 debit, were entered as in account with the United Counties Bank, and all subsequent dealings by Sutcliffe & Co., including the payment of interest, were with the United Counties Bank. The plaintiff bank was wound up, but was not dissolved. The debentures were subsequently realized, and £808 was paid over to the United Counties Bank by the plaintiffs as the proceeds. Lawrence, J., held that the clause as to notice had no reference to lunacy, and the guarantee did not continue to be operative after that event, but that the defendant was not relieved from liability for the amount which was due on the loan account at the time when he became a lunatic. Accordingly, his lordship gave judgment for the bank for £3,400, less the £808, the proceeds from the sale of the debentures with interest on the balance from the date of payment to the plaintiffs of the last mentioned sum. The defendant appealed. *Cur. adv. vult.*

PICKFORD, L.J.—In this case Lawrence, J., found that Frank Sutcliffe's guarantee ceased to operate as a continuing guarantee from the date that the bank had notice of his lunacy in 1899, and against that decision there was no appeal. But on that date Frank Sutcliffe's estate remained liable for the debts then accrued due on the accounts. It was, however, argued that this liability had terminated. At the date mentioned there was due to the plaintiffs £3,400 on the loan account and £269 5s. on the current account. The learned Judge had held that the latter amount had been satisfied by subsequent payments and the plaintiffs accepted the position. The only question, therefore, was as to the liability for the £3,400 due on the loan account. It was argued that this amount must also be held satisfied by subsequent payments into the current account exceeding the sum of £3,400, the ground of this argument being that the two accounts must be considered as one. He thought there was no foundation for this argument. The effect of the arrangement clearly was that payments to the credit of the current account were appropriated to that account, and could not be taken in reduction of the loan account. The defendant also contended that the claim was barred by the Statute of Limitations. The learned Judge held that that defence failed because the claim had been kept alive by payment of interest by the principal debtor—the company. He could not agree with this reason, which was contrary to the provisions of the Mercantile Law Amendment Act, 1856 (19 & 20 Vict. c. 97). But another answer was given by the plaintiffs. They said that the cause of action did not accrue until demand by them, and that no demand had been made until after the realization of the debentures in 1912, less than six years before the beginning of the action. This depended upon the construction of the document. A cause of action accrued when all the facts existed which it was necessary to prove as a part of the case: *Reeves* v. *Butcher* (1891, 2 Q. B. 509). If, therefore, it were necessary for the plaintiffs to prove a demand the cause of action did not accrue till after the demand. It was argued for the defendant that the words "on demand" should be neglected because the money was due, and therefore a demand was unnecessary and added nothing to the liability. That was true in cases where the liability was a direct liability—for example, for money lent. It had, however, been long held that this doctrine did not apply to what had been called a collateral promise or collateral debt, which would be the case of a surety's guarantee. That was so held in *Brown* v. *Brown* (1893, 2 Ch. 300), a case they were now invited to overrule. For himself he thought that decision was in accordance with the principle of the earlier cases, and this court must follow it. The only question, therefore, was whether, on the construction of the guarantee, the parties meant the words "on demand" to mean what they said. Interest was to run from the demand, and a demand was made a condition precedent to the guarantor's power to pay off the amount due. The plea of the Statute of Limitations therefore failed. Then it was argued that the surety was discharged by a novation of the debt, by which the liability of the company to the plaintiffs was discharged and the United Counties Bank became the creditor. There was no doubt that a novation, by which the original debtor was released from his debt, discharged the surety, but a transfer of an existing debt stood on a different footing. Here the debt was ascertained as long ago as 1899, and the alleged novation did not take place until 1907, the original debtor still remaining liable for the debt. An assignment of a debt did not discharge a surety: *Wheatley* v. *Bastow* (7 De G. M. & G. 261). For all purposes, so far as the interest of the surety was concerned, a novation by which the original creditor released the debtor had no greater effect than an assignment of a debt with notice to the surety. In either case the transferee of the debt, whether by novation or assignment, was the person with whom the surety had to deal, and, as the liability was already ascertained, it was a matter of no consequence to whom he had to pay it. The result was that the appeal failed, and would be dismissed with costs.

BANKES and SCRUTTON, L.JJ., concurred.—COUNSEL, for the appellant, *Compston*, and *H. S. Cautley*; for the respondent bank, *Hogg*, K.C., and *Patrick Hastings*. SOLICITORS, *Jaques & Co.*; for *Scholefield, Taylor & Magg*, Batley; *Blundell, Baker, & Co.*, for *Gordon, Hunter, & Duncan*, Bradford.

[Reported by ERS Barrister-at-Law.]

High Court—Chancery Division.

Re CONTINHO, CARO & CO. Younger, J. 16th July.

WAR—TRADING WITH THE ENEMY—BUSINESS IN ENGLAND—"BRANCH"—PROCLAMATION OF 9TH SEPTEMBER, 1914, CLAUSE 6.

All the partners of an enemy firm were in Hamburg, and the headquarters of the firm was there. It was directed from there, and the lease of the London premises of the firm was in the firm's name, and the London business was conducted by the managers at a salary, who had no power to accept orders. These were received by them and submitted to Hamburg for sanction, and the books were kept at Hamburg. The London banking account was in the firm's name and the balance thereof was transferred from time to time to Hamburg.

Held, that the London premises were not a "branch" within the protection of the Trading with the Enemy Proclamation No. 2, dated 9th September, 1914, clause 6.

This was a question whether the controller of an enemy business had rightly rejected certain claims in the following circumstances: At the outbreak of the war the above enemy firm owned a business which was carried on in Hamburg, London and elsewhere. Before the war they had accepted orders from a Glasgow and a London firm for the delivery of considerable quantities of iron and steel goods at future dates, which orders were not fulfilled by reason of the outbreak of the war. The partners all resided in Hamburg, where the headquarters of the business were, and the direction proceeded from Hamburg. The firm dealt in the products of others. The tenancy of the London premises was in the firm's name, and the business was conducted by two salaried managers. Orders received were submitted to Hamburg for sanction, as the managers had no power to accept them. Goods were all invoiced to Hamburg, and purchases for the carrying out of British orders were all made by the Hamburg house. The shipment and insurance were directed from there, and the books kept there. The banking account in London was in the firm's name, and the balance thereof was remitted from time to time to Hamburg. The business in London was ordered to be wound up under the Trading with the Enemy Amendment Act, 1916, and a controller was appointed, who rejected the claims of the London and Glasgow firms to be admitted as creditors for sums in respect of damage sustained by reason of the non-delivery of the goods. The question was whether this rejection was right, having regard to clause 6 of the Trading with the Enemy Proclamation No. 2, dated 9th September, 1914, which provides that "Where an enemy has a branch locally situated in British, Allied or Neutral territory, not being Neutral territory in Europe, transactions by or with such branch shall not be treated as transactions by or with an enemy."

YOUNGER, J., in the course of a long considered judgment, in which he held that the claims were rightly rejected, said: In popular parlance the London business would be called neither a branch nor an agency of the German firm. It is nothing more than an office of the firm opened here under a manager for the convenience of British customers of the firm and the development of business between them and the Hamburg firm. The contracts were in every sense with the Hamburg firm, and on the outbreak of war were dissolved on both sides. The subsequent winding-up order and appointment of a controller did not revive them. In my opinion the business was in no sense of the Proclamation a "branch" of the firm, and even if for some purposes it was, these contracts would not be protected by it.—COUNSEL, *Austen-Cartmell; Fairfax Luxmoore; Stuart Bevan.* SOLICITORS, *Hurd, Crook, & Jones; Maples, Teesdale, & Co.; McKenna & Co.*

[Reported by L. M. MAY, Barrister-at-Law.]

A Reuter's message says that the following parties have been invited to appoint delegates to the Inter-Allied Labour Conference on 17th, 18th, and 19th September, at which Mr. Gompers and other Americans will be present:—The French Socialist Party and the General Confederation of Labour; the Italian Official and Reformist Socialist parties, with the trade unions attached to them; the Belgian Labour Party, the Socialist parties of Greece, Portugal and Serbia, the Labour Party of Canada, and the Social Democratic Party and Social Revolutionary Party of Russia. The two last-named parties will probably be represented by MM. Roussanoff and Axelrod, who are now in Stockholm, and it is possible that M. Kerensky will also be present.

New Orders, &c.

Changes in County Court Districts.

The County Court of Carmarthenshire.

By an Order in Council, dated 15th August, published in the *London Gazette* of 16th August, the District of the County Court of Carmarthenshire held at Carmarthen and the District of the said County Court held at Llandilo are consolidated under the name of the District of the County Court of Carmarthenshire held at Carmarthen, Llandilo, and Ammanford; and certain scheduled areas are transferred from the Llanelly and Neath Districts to the said Consolidated District.

War Orders and Proclamations, &c.

The *London Gazette* of 16th August contains the following :—

1. A Notice that an Order has been made by the Board of Trade, under the Trading with the Enemy Amendment Act, 1916, requiring another business to be wound up, bringing the total to 536.

2. The following Notice, under the Corn Production Act, 1917 : Proposal to fix Minimum rates of wages for Anglesey and Carnarvon.

3. Admiralty Notices to Mariners as follows :

(1) No. 963 of the year 1918; Scotland, East Coast.—Firth of Forth—Traffic Regulations. Former Notice, No. 904 of 1918, is cancelled.

(2) No. 973 of the year 1918 : England—East Coast.—Former Notice, No. 890 of 1918, is cancelled.

(3) No. 954 of the year 1918 : Scotland, West Coast and Hebrides. —Former Notices, No. 63 of 1917 and Nos. 218 and 830 of 1918, are repeated, with the addition of a defined prohibited area in the Firth of Clyde.

4. An Order in Council, dated 15th August, applying the Military Service Act, 1916 (Session 2), s. 12, to the Air Force.

The *London Gazette* of 20th August contains the following—

5. A Foreign Office Notice that certain names have been added to the list of persons and bodies of persons to whom articles to be exported to China may be consigned.

6. A Notice that appointments have been made to the Military Appeal Tribunals as follows : West Central District of the West Riding of Yorkshire (1); Northern District of the West Riding of Yorkshire (1); County of Leicester (1); Counties of Cumberland and Westmorland (1).

7. A further Notice that licences under the Non-Ferrous Metal Industry Act, 1918, have been granted to certain companies, firms, and individuals. The present list comprises some twenty-four names.

8. An Order in Council, dated 15th August, applying various Reserve Forces and similar Acts to the Air Force Reserve.

9. A Treasury Order fixing a Maximum Price for Silver at 49½d. per ounce. Last week it was raised to 48 13-16d. per ounce (*ante*, p. 743, item 3).

A Proclamation.

RELATING TO THE GRANT OF PRIZE MONEY TO THE FLEET.

Whereas Her Majesty Queen Victoria was graciously pleased, by Her Royal Proclamation of the 17th September, 1900, to regulate, according to the Scheme set forth therein or recognized thereby, the distribution of the net proceeds of prizes captured from the enemy, &c.

And whereas by an Order in Council, dated the 28th August, 1914, We were pleased to cancel the system of distribution described in the above-mentioned Proclamation as regards Prizes captured from the enemy, and to declare that in lieu thereof it was intended to substitute a system of Prize Bounties or Gratuities for more general distribution to the Officers and Men of Our Naval Forces :

And whereas by the Naval Prize Act, 1918, it is provided that if We are pleased to signify Our intention to make a grant of Prize Money to Our Fleet out of the proceeds of Prizes captured in the present War, such Prize Money shall be of such amounts and payable to such members of Our Naval and Marine Forces and in such manner as We by Proclamation or Order in Council may determine :

We do therefore now make known to all Our loving Subjects, and to all others whom it may concern, by this Our Proclamation, by and with the advice of Our Privy Council, that Our Royal Will and Pleasure is and We do hereby order and direct that the net produce of all such Prizes captured during the present War as shall be declared by the Tribunal appointed under the said Act to be Droits of the Crown, and of all other sums which under that Act shall be paid into the Naval Prize Fund, shall be for the entire benefit and encouragement of the Officers and Men of Our Naval and Marine Forces as defined in the above-mentioned Act, and shall be distributable in accordance with the said Act, and further, that when the Lords Commissioners of the Admiralty shall judge that there is a sufficient sum standing to the credit of the Naval Prize Fund to warrant it, a distribution shall be made in the shares and proportions and in the manner and in accordance with the Regulations We may hereafter announce by Our Royal Proclamation to such members of Our Naval and Marine Forces as may be qualified to share therein, or in case of their death to their representatives.

15th August. [*Gazette*, 16th August.

Order in Council.

NEW DEFENCE OF THE REALM REGULATIONS.

[Recitals.]

It is hereby ordered that the following amendments be made in the Defence of the Realm Regulations :—

Food Control Powers.

1. In sub-section (1) of Regulation 2J the words " on behalf of the Food Controller " shall be omitted.

2. For removing doubts it is hereby declared that the powers conferred on the Board of Trade by Regulation 2JJ shall include and shall be deemed always to have included power of making arrangements with the Food Controller, as well as with any other Government Department, for the exercise of the powers of the Board under Regulations 2B, 2F, 2G, 2H and 7, as applied by the said Regulation 2JJ.

Disputes in Munition Works.

3. After Regulation 34A the following regulation shall be inserted :—

" 34B.—(1) Where a difference has been referred under sub-section (2) of Section one of the Munitions of War Act, 1915, for settlement in accordance with the provisions of the First Schedule to that Act, and it appears to the Minister of Labour that an award cannot be obtained, and that in consequence thereof the production of any article essential to the successful prosecution of the war is hampered, the Minister may annul the reference and substitute therefor a reference to a single arbitrator appointed by himself.

(2) An award given by any such arbitrator shall be binding both on employers and employed and may be made retrospective.

(3) If any employer or person employed thereafter acts in contravention of or fails to comply with the award, or if an employer declares, causes, or takes part in a lock-out within the meaning of the said Act, or a person employed takes part in a strike within the meaning of the said Act, in connection with the difference so referred to a single arbitrator, he shall be guilty of a summary offence against these regulations, but a person guilty of any such offence shall not be sentenced to imprisonment."

15th August. [*Gazette*, 16th August.

Army Council Orders.

PROHIBITION OF THE LIFTING OF RYE GRASS AND SEED MIXTURE HAY IN IRELAND.

1. In pursuance of the powers conferred on them by the Defence of the Realm Regulations the Army Council do hereby give notice that

all first and second year rye grass and seed mixtures (except as hereinafter mentioned) now standing in bulk in Ireland or as and when harvested is taken possession of absolutely by the Army Council, and shall from the date of this Order or as and when harvested be held at the disposal of the duly authorized Officers of the War Department.

2. The sale of hay and straw in Ireland other than such first and second year rye grass and seed mixtures as mentioned in paragraph 1 hereof will be unrestricted and uncontrolled subject only to such maximum prices as may from time to time be in force by any Order of the Army Council. No restriction is placed on the use for stock-feeding purposes of first and second year rye grass and seed mixtures by an Producer who has not grown in the aggregate more than two acres during the year 1918 or, for such stock-feeding purposes by any person who at the date of this Order does not hold more than 4 tons of such first and second year rye grass and seed mixtures.

12. The Army Council Order dated 17th July, 1917, prohibiting the lifting of hay and straw in Great Britain and Ireland and the Isle of Man, in so far as it relates to Ireland, is hereby cancelled.

13th August. [*Gazette*, 16th August.

REGULATION OF THE SALE OF HAY AND STRAW AND OF CHOPPED HAY AND STRAW IN ENGLAND AND WALES.

The Army Council do hereby order:—

That on any sale of hay, threshed hay, straw, chopped hay, chopped threshed hay or chopped straw in England and Wales, the prices shall not exceed such prices as are set out hereunder:—

Schedule 1.

The following are the maximum prices which a Producer or Grower may receive for hay and straw in the stack, but such prices shall in every case include the cost of carting to the nearest Railway Station or a distance equivalent thereto:—

Hay, per ton, £3.

Threshed Hay, per ton, £5.

Oat Straw, Barley Straw, Bean Straw, Pea Straw and Threshed Tares, per ton, £3 15s.

Wheat Straw, Revit Wheat Straw, Buckwheat Straw and Mustard Straw, per ton, £3.

The above prices are for best quality only; inferior hay or straw will be graded according to quality.

In addition to the above prices interest at the rate of 5 per cent. per annum will be added calculated from 1st October, 1918, if the application to inspect (as mentioned in the Army Council Order of 30th July, 1918, prohibiting the lifting of hay and straw in England and Wales) is received in the office of the D.P.O.S. on or before that date, to date of completion of lifting and calculated from the date such application to inspect is received in the office of the D.P.O.S. when received after 1st October, 1918, to date of completion.

Further, if lifting is completed subsequent to 31st December, 1918, interest at the rate of 10 per cent. per annum will be added calculated from 1st January, 1919, to completion of lifting, computed on the prices set out in the above Schedules.

Schedule 2 (1917 *or earlier crops*).

The following are the maximum prices which a Producer or Grower may receive for hay and straw in the stack, but such prices shall in every case include the cost of carting to nearest Railway Station or a distance equivalent thereto:—

Hay, per ton, £6 1s.

Threshed Hay, per ton, £4 10s.

Oat Straw, Barley Straw, Bean Straw, Pea Straw and Threshed Tares, per ton, £3 6s.

Wheat Straw, Revit Wheat Straw, Buckwheat Straw and Mustard Straw, per ton, £2 15s.

The above prices are for best quality only; inferior hay or straw will be graded according to quality.

[*Schedule* 3 *as to Hay and Straw sold for Civilian purposes.*]

The Army Council Orders dated 17th July, 1917, and 8th May, 1918, regulating the sale of hay and straw in Great Britain and Ireland and the Isle of Man in so far as they relate to England and Wales are hereby cancelled.

20th August. [*Gazette*, 20th August.

Board of Trade Order.

THE PETROLEUM PRODUCTS (CONTRACTS) ORDER, 1918.

1. All contracts for the sale, delivery or supply of any of the Petroleum Products to which the Petroleum Products (Wholesale Prices) No. 2 Order, 1918, applies and which are affected by the said Order are hereby abrogated except such as provide for sale, delivery or supply at the prices named in the said Order.

2. This Order may be cited as the Petroleum Products (Contracts) Order, 1918.

13th August. [*Gazette*, 16th August.

Ministry of Munitions Order.

THE CAST IRON SCRAP ORDER, 1918.

In exercise of the power conferred upon him by Regulation 30A of the Defence of the Realm Regulations the Minister of Munitions hereby orders as follows:—

1. The War Material to which that Regulation applies shall include War Material of the following class, that is to say

Cast Iron Scrap.

2. This Order may be cited as the Cast Iron Scrap Order, 1918.

[Notices of Additions to or Modifications for the General Permits of 1st November, 1916, relating to certain classes and descriptions of Iron and Steel and Wrought Iron are appended.]

All communications with reference to the above Order should be addressed to:—

The Controller of Iron and Steel Production (Room 101),
Ministry of Munitions of War,
8, Northumberland-avenue,
London, W.C. 2.

20th August. [*Gazette*, 20th August.

THE IRON AND STEEL SCRAP DISPOSAL ORDER, 1918.

1. Every person owning any iron or steel scrap, whether in the form of metal, machinery, plant or constructional steel or iron work, shall sell and transfer such scrap wherever required by the Controller of Salvage and Stores, Ministry of Munitions, in accordance with the terms of such requirement. If any doubt arises as to whether any material is iron scrap or steel scrap for the purposes of this Order the decision of the said Controller shall be final.

4. *Returns.*]

5. All applications under this Order shall be made to the Controller of Salvage and Stores, Ministry of Munitions, Whitehall Place, S.W. 1, and marked "Iron and Steel Scrap."

6. This Order may be cited as "The Iron and Steel Scrap Disposal Order, 1918."

20th August. [*Gazette*, 20th August.

Board of Agriculture Order.

CORN PRODUCTION ACTS.

The Board of Agriculture and Fisheries propose to make a Regulation under Part IV. of the Corn Production Act, 1917, providing that the time within which any person aggrieved by a notice may, under subsection (1) of section nine of the Corn Production Act, 1917, require any question to be referred to arbitration shall be fourteen days from the date of the service on him of the notice or copy of the notice. Copies of the Draft Regulation may be obtained on application to the Food Production Department, 72, Victoria-street, London, S.W. 1.

20th August. [*Gazette*, 20th August.

Food Orders.

ORDER AMENDING THE NATIONAL KITCHENS ORDER, 1918.

The Food Controller hereby orders that the National Kitchens Order, 1918 [*ante*, p. 412] (hereinafter called the Principal Order), shall be amended as follows:—

1. There shall be added at the end of Clause 4 (*a*) of the Principal Order the words "in such cases as the Food Controller may approve the Council of a County."

16th July.

THE FOOD CONTROL COMMITTEES (TERM OF OFFICE) ORDER, 1918.

The Food Controller hereby orders that the Food Control Committees (Constitution) Order, 1917 (hereinafter called the "Principal Order"), and the Joint Food Control Committees (Constitution) Amendment Order, 1918 [*ante*, p. 707] (hereinafter called "the Joint Committees Order"), shall be amended as follows:—

1. Clause 4 of the Principal Order shall in its application to any person who is at the date of this Order, or may be between the date of this Order and 9th November, 1918, appointed a member of any Food Control Committee or Joint Food Control Committee, have effect as if the words "until the 9th November, 1918," were substituted for the words "one year."

2. This Order may be cited as the Food Control Committees (Term of Office) Amendment Order, 1918, and shall be read as one with the Principal Order and the Joint Committees Order.

16th July.

POSTPONEMENT OF CANTEENS AND HOSPITALS (LICENSING) ORDER, 1918.

The Food Controller hereby orders that Clause 1 of the Canteen and Hostels (Licensing) Order, 1918 [*ante*, p. 626], shall not come into force until such date as may be hereafter notified.

18th July.

CHEESE (DISTRIBUTION) ORDER, 1918 [*ante*, p. 656].

Directions.

The Food Controller hereby orders and directs as follows:—

1. Until further notice no Government Cheese which is released for distribution on or after the 23rd July, 1918, shall be sold by retail at a price exceeding the rate of 1s. 3d. per lb.

2. (*a*) No charge may be made for packing or packages or for giving credit.

(*b*) Where the cheese is delivered at the buyer's request, otherwise than at the seller's premises, an additional charge may be made in respect of such delivery not exceeding the rate of ½d. per lb. or any larger sum actually and properly paid by the seller for carriage.

23rd July.

The following Orders have also been issued:—

The Pilchards Order, 1918, dated 16th July.

The Poultry and Game (Prices) Order, 1918, dated 18th July.

The Slaughterhouses (Licensing) Order, 1918, dated 19th July.

The Milk Products (Import Restriction) Order, 1918, dated 20th July.

The Bacon, Ham and Lard (Prices) Order, 1918, Direction under, dated 24th July.

The British Cheese Order, 1917 [*ante*, p. 73], Notice under, dated 17th July, fixing maximum first-hand prices.

Caerphilly Cheese (Requisition) Order, 1918, dated 13th July.

Meat Retail Prices (England and Wales) Order, No. 2, 1918; General Licence under (Sausages), dated 18th July.

The Raw Beef and Raw Mutton Fat (Licensing of Purchases) Order, 1918; The Home Melt Tallows and Greases (Requisition) Order, 1918: General Licence under, dated 27th July.

The Rationing Order, 1918:—

(1) Directions for Retailers of Sugar, Butter and Margarine, and Lard and their Customers, dated the 29th July, 1918.

(2) Directions for Retailers of Bacon and Ham, and their Customers, dated the 29th July, 1918.

(3) Directions for Pork Butchers and for Retailers of Miscellaneous Meat and their Customers, dated the 29th July, 1918.

Under (1) and (2) the retailer can supply only his registered customers and emergency customers. "Emergency customer" means a person holding and using a soldier's or sailor's leave or duty ration book, traveller's ration book, or an emergency ration card, which is not marked with the name of another retailer. A person in respect of whom a visitor's declaration form has been handed to and accepted by a retailer is deemed to be registered with that retailer during the period for which the form is valid.

Bacon and ham may be supplied without the surrender of any meat coupon.

Under (3) "Miscellaneous Meat" means suet, offal, sausages, horseflesh, venison, cooked, canned, preserved and potted meats, rabbits, hares, poultry and game, and other meats of all kinds, and the bones of such meats, excluding only butcher's meat and uncooked bacon and ham and bones thereof.

The following directions may be quoted:—

2. A person may obtain pork or miscellaneous meat from any retailer entitled to sell such meat and the retailer may supply pork or miscellaneous meat accordingly.

3. Pork or miscellaneous meat may be so obtained or supplied only against the coupons marked "meat," "butcher's or other meat," or "other meat only."

Whenever the retailer supplies pork or miscellaneous meat he must detach the proper number of appropriate coupons for the amount supplied from his customer's ration book or card.

4. The retailer may supply without detaching coupons—

(*a*) such kinds of pork or miscellaneous meat as are from time to time declared by the Food Controller to be obtainable from such retailer without coupons; and

(*b*) any perishable stocks in respect of which a licence has been issued by his Food Committee.

The Butter Distribution Order, 1917: Directions under, dated 31st July, as to sale of Government butter by wholesale.

The Plums (Sales) Order, 1918, dated 27th July, 1918, containing restrictions on the importation of plums, and requiring all sales of plums by growers in the United Kingdom to be to (i) a licensed Jam manufacturer; or (ii) a recognised Fruit salesman who has given to the grower a dated and written undertaking signed by the salesman that he will re-sell such fruit only to a licensed Jam manufacturer. A grower whose total 1918 crop is less than 1 cwt. is exempted.

The Bacon, Ham and Lard (Provisional Prices) Order, 1917, Notice under, dated 1st August, as to prices of imported bacon and ham.

Societies.

The Belgian Lawyers' Relief Fund.

The following further donation is gratefuly acknowledged:

Amount previously notified	£1,003	17	1
The Hon. John Mansfield (*fourth donation*) ...	1	0	0
	£1,004	17	1

Further donations are very urgently needed, and may be sent to "The Joint Hon. Treasurers, Belgian Lawyers' Aid Committee," General Buildings, Aldwych, W.C. 2.

Obituary.

Qui ante diem perlit,
Sed miles, sed pro patria.

Second Lieutenant J. C. Schuster.

Second Lieutenant CHRISTOPHER JOHN CLAUD SCHUSTER, who was killed on 10th August, was the only son of Sir Claud Schuster, C.V.O., Permanent Secretary to the Lord Chancellor, and of Lady Schuster, of 16, Phillimore-gardens, W. He was born on 13th January, 1899, and was educated at Winchester (Mr. Irving's house September, 1911-July, 1917). He was trained with an officer cadet battalion at Oxford, received a commission in the Rifle Brigade in November, 1917, and went to France on 19th April of this year. His commanding officer writes:—"He was doing splendid work at the time he was hit, and had gained his objective with his men."

Legal News.

Information Required.

TO SOLICITORS, BANKERS AND OTHERS.—Information is sought in reference to a Will of the late STEPHEN JAMES EDWARD JAY, of "The Crooked Billet," 84, Upper Clapton-road, 29, Commercial-street, E., and Thornbury House, 36, Northwold-road Upper Clapton E.; also in reference to a japanned deed box, marked Stephen James Bromley Jay or S. J. B. Jay. Communications to be made to Langford & Redfern, Solicitors, 34, Queen Victoria-street, E.C. 4.

Appointments.

The Secretary of State for Foreign Affairs has appointed Mr. C. J. B. HURST, C.B., K.C., to be Legal Adviser to the Foreign Office, in succession to Sir Edward Davidson, K.C.M.G., C.B., K.C., who has retired from the public service. Mr. Hurst has been Assistant Legal Adviser

to the Foreign Office since 1902. He was called to the Bar at the Middle Temple in 1893, and was Junior Counsel to the Post Office, on the South-Eastern Circuit, 1901-1902.

The King has been pleased, by Letters Patent under the Great Seal bearing date the 19th day of August, 1918, to appoint NORMAN FENWICK WARREN FISHER, Esq., C.B., HORACE PERKINS HAMILTON, Esq., C.B., ALFRED WALTER SOWARD, Esq., C.B., PERCY THOMPSON, Esq., C.B., and RICHARD VALENTINE NIND HOPKINS, Esq., to be His Majesty's Commissioners of Inland Revenue.

General.

The Ministry of Reconstruction propose to issue a series of pamphlets on the more prominent problems of reconstruction. The first of these pamphlets will be published on 2nd September, dealing respectively with "The Aims of Reconstruction" and "Housing in England and Wales."

At Spalding, on Tuesday, George William Boyden, farmer, of Moulton Chapel, was summoned at the instance of the Board of Agriculture for failing to plough up nineteen acres of grass land at Sutton St. Edmunds, and was fined £50 and costs. The defendant's plea was that the order would have been obeyed later when the prospects of getting good crops would have been better.

Mr. A. W. Shelton, F.A.I., who was appointed by the late Lord Rhondda a member of the Local Government Board Housing Advisory Committee, was the guest of the Aldwych Club on Tuesday. He said that the present dearth of working-class dwellings was roundly 450,000, and was growing at the rate of 75,000 each year. Probably, therefore, when peace came, fully 500,000 new houses would be needed, quite apart from the normal growth of requirements. Provision for at least 1,000,000 new cottages should be made and carried out with five years of peace. He had reason to believe that a scheme recently submitted to and now under the consideration of the President of the Local Government Board is in effect a partnership between the State, the local authority, the building society, and the tenant. It provides for the building of houses by private enterprise at a price which would give the builder a living profit.

At Lambeth Police Court on the 16th inst., says the *Times*, before Mr. Leycester, Olive Callaghan, twenty-one, of Fitzallan-street, Lambeth, was charged on remand under Regulation 40 D of the Defence of the Realm Regulations. Mr. H. G. Muskett, who prosecuted for the Commissioner of Police, remarked that, having regard to an examination of the prisoner which had been made by the medical officer at Holloway Prison, he felt justified in proceeding with the charge. The allegation was that in April the prisoner met a corporal of the Australian Imperial Forces, and that the man was afterwards found to be suffering from a certain disease. Mr. Leycester asked whether it was necessary that a woman should know that she was suffering. Mr. Muskett was not aware that the question of knowledge had ever been raised. He contended that knowledge was not essential. The regulation would become unworkable if knowledge had to be proved affirmatively. The prisoner, who was said to be the wife of a man now on active service, was further remanded, the magistrate suggesting that she should obtain legal assistance.

The *Times* correspondent at Cape Town, in a message dated 15th August, says:—A curious point of law, involving important consequences to insurance companies and indirectly also to mercantile agencies for South Africa, has come before the Cape Provincial Division of the Supreme Court. The plaintiff is the widow of a man named Moyle, who had a life policy with the General Life Assurance Company; and on going on military service in German South-West Africa he obtained a written assurance from the company that the policy covered all risks without further premium for "military operations in South Africa." Moyle subsequently died in hospital while on service in German East Africa. The jury yesterday gave a verdict for the plaintiff on the ground that the term South Africa "meant any portion of Africa south of the equator." The judge gave judgment accordingly, with leave reserved to the defendants to move to have the judgment set aside on any point raised in the construction of the contract. The matter will be taken before the full bench of the Supreme Court. So far as the arguments in court shewed, the term "South Africa" has never been legally defined. The Union Defence Act provides for service not only in the Union but in South Africa, without giving any territorial definition to the term. It is understood that the General Assurance Company alone has some 600 policies affected.

Winding-up Notices.

JOINT STOCK COMPANIES.

LIMITED IN CHANCERY.

London Gazette.—FRIDAY, Aug. 16.

W. V. ALDRIDGE & SON, LTD. (IN VOLUNTARY LIQUIDATION).—Creditors are requi ed, on or before Sept 15, to send in their names and addresses, and the p rticulars of t eir debts or claims, to Mr. O. Sanderland, 15, Eastcheap, or Mr. S. W. Hutton, 10, Ironmonger ln, liquidators

ASUNCION TRAMWAY LIGHT AND POWER CO, LTD (IN VOLUNTARY LIQUIDATION).—Creditors are requir d, on or befor Sept 17, to send thei names and addres es, and the particular of their debts or claims, to Mr. B. H. B nder, 80, Bish pgate, liquid tor

D. BUTT, LTD. (IN VOLUNTARY LIQUIDATION).—Creditors are required, on or before Sept 21, to send their name and addresses, with particulars of their de ts or claims, to Alexander McIntyre, Corporate Accountant, Accountancy Offices, Conway, liquidator.

GRANADA RAILWAY CO, LTD. (IN VOLUNTARY LIQUIDATION).—Creditors are required, on or before Sept 14, to send in their names and addresses, and particulars of their debts or claims, to Alfred G Hammond, 7, Union ct, liquidator.

HARROD'S STORES FOUNDERS' SHARES CO, LTD. (IN VOLUNTARY LIQUIDATION).—Creditors are required, on or before Sept 30, to send in th ir names and addresses, and particulars of their debts or claims, to Sir Alfred J Newton, Bart and Edgar Cohen, 87-135, Brompton rd, liquidators.

JOHN HERRING & Co, LTD. (IN VOLUNTARY LIQUIDATION).—Creditors are required, on or before Aug 31, to send in their names and addresses, with particulars of their debts or claims, to James Arnott Sisson, 13, Gray st, Newcastle-upon-Tyne, liquidator.

LESLIE ALLAN & Co, LTD.—Creditors are required, on or before Aug 30, to send their names and addresses, and particulars of their debts or claims to William John Birch Kempton, 4, Clayton sq, Liverpool, liquidator.

JOINT STOCK COMPANIES.

LIMITED IN CHANCERY.

London Gazette.—TUESDAY, Aug 20.

ANGLO-CONTINENTAL FERTILIZERS SYNDICATE, LTD. (IN VOLUNTARY LIQUIDATION).—Creditors are required, on or before Sept 30, to send in their names and addresses, and the particulars of their debts or claims, to Mr. Harold Everett, 3/7, Southampton st, Strand, liquidator.

BRAMLEY GOLF CLUB CO, LTD. (IN LIQUIDATION).—Creditors are required, on or before Aug 27, to send their names and addresses, and the particulars of their debts or claims, to Gilbert H. White, 20, Market st, Guildford, liquidator.

DEVONPORT & DISTRICT TRAMWAYS CO. (IN VOLUNTARY LIQUIDATION).—Creditors are required, on or before Aug. 27, to send their names and addresses, and the particulars of their debts or claims, to Percy Newton Gray, Manchester Hotel, Aldersgate st, liquidator

SEATON SAW MILLS, LTD. (IN VOLUNTARY LIQUIDATION).—Creditors are required, on or before Sept 16, to send their names and addresses, and the particulars of their debts or claims, to Thomas Reginald Gregory Rowland, 3, Scarborough st, West Hartlepool, liquidator.

Resolutions for Winding-up Voluntarily.

London Gazette.—FRIDAY, Aug. 16.

Asuncion Tramway Light & Power Co, Ltd.
Fulwood Steamship Co, Ltd.
Grove Steam Shipping Co, Ltd.
Granada Railway Co, Ltd.
"Stag Line," Ltd.
Field Mills Co (Morley), Ltd.
Harrod's Stores Founders' Shares Co, Ltd.
David Parsons & Sons, Ltd.
Carlisle Old Brewery, Sir Richard Hodgson & Co, Ltd.

London Gazette.—TUESDAY, Aug. 20.

Moore Radiator Tube Co, Ltd.
Cotteridge, Cinema, Ltd.
Seaton Saw Mills, Ltd.
C E Syndicate, Ltd.
Saddleworth Refreshment & Pleasure Grounds Co, Ltd.
Flottmann Engineering Co, Ltd.
King Bros (Pianos), Ltd.
Torula Syndicate, Ltd.
General Iron & Hardware Co, Ltd.
H wlett & Co, Ltd.
Tongaat Sugar Co, Ltd.

Winding-up of Enemy Businesses.

London Gazette.—TUESDAY, Aug 20.

MICHAEL STEINER, 4, Hamsell at.—Creditors are required, on or before Sept 21, to send their names and addresses, and particulars of their debts or claims, to F. D. Morris, Spencer House, South pl, Controller.

Creditors' Notices.

Under 22 & 23 Vict. cap. 35.

LAST DAY OF CLAIM.

London Gazette.—TUESDAY, Aug. 13.

ALFORD, AGNES OKE, Clifton, Bristol Sept 29 Henry C Pershouse, Bristol
BATTERSBY, Rev WALTER SCHOFIELD, Manchester Sept 24 T. A. Needham, Manchester
BAX ANN ELIZA, Brixton Oct 9 Birt & Son, Town Hall chmbrs, Southwark
BISSET, WILLIAM, Newcastle upon Tyne, Joiner Sept 10 Maugham & Hall, Newcastle upon Tyne
BIXBY, ROBERT WILLIAM, Ousden, Suffolk, Grocer Oct 1 A J d'Albani, Newmarket, Cambs
BOWDEN, HENRY, Leytonstone Sept 16 W Archer & Son, 114, Fenchurch st
BROUGH, MARY ANN, Leeds Sept 9 Harrison & Sons, Leeds
BRUCE, ALFRED CRAWFORD, Burrington, Bristol Sept 12 Bolton & Davidson, Bristol
CARPENTER, JAMES, Chiddingly, Sussex, Timber Merchant Sept 17 Isaac Vinall & Sons, Lewes
COE, MARGARET MARY, Notting Hill Gate Sept 17 Leader, Plunkett & Leader, 76 Newgate st
CUTLER, GEORGE BENJAMIN, Blackheath Sept 14 Tippetts, 11, Maiden ln
DEAR, JAMES, Huntingdon Sept 25 Geo D Day St Ives, Hunts
DEBENHAM, FRANK, Hampstead, JP Oct 31 Boyce & Evans, 14, Stratford pl
FRANKISH, HAROLD, Euston rd Sept 30 E F & H Landon, 53, New Broad st
HALL, MARY, Chesterfield Oct 12 Stanton & Walker, Chesterfield
HUSTER, HENRI GEORGE, Paris, Commercial Agent Sept 21 Hubbard, Son & Eve, 110, Cannon st
IVENS, RICHARD MARSHALL, Warwick, Auctioneer Sept 24 Boddington & Bond, Warwick
KNIGHT, Sir WALTER GRAY, Oxford Oct 1 Andrew Walsh & Gray, Oxford
JOHNSON, JOSEPH WILLIAM, Waterloo rd Sept 19 Jennens & Jennens, 189, Kentish Town rd
MAUD EDWARD, Gilstead, nr Bingley, Yorks Sept 1 Neill & Dawson, Bradford
MAUDE, Lieut-General Sir FREDERICK STANLEY, Lower Sloane st Oct 1 James Gray & Son, 5, New ct
McKEEVER, JAMES HOLDEN, Streatham Sept 14 W H Dixon & Co, Manchester
MULCASTER, HENRY JOHN PERCIVAL, Tynemouth Sept 9 R Sheriton Holmes, Newcastle on Tyne
NUTLEY, SARAH, Southampton Sept 30 Hallett & Martin, Southampton
PARGETER, SARAH, Camberwell Sept 16 Attree, Johnson & Ward, 6, Raymond bldgs
PARKER, GEORGE ROGER, Lancaster, Physician Aug 31 Clark, Oglethorpe & Son, Lancaster
ROBIN, ELIZA, Enfield Sept 10 Jessopp & Gough, Waltham Abbey
ROSS, WILLIAM CHESTER, Ilford, Essex Sept 14 James Turner & Son, Dunedin House, Basinghall av
SHAPIRO, SARAH, Hackney Sept 10 Henry Snowman, 89-90, Leadenhall st
SHIP, HENRY OSIAH, Fawley, Southampton, Dealer Sept 6 Waller & Thornback, Southampton
SMITH, LOUISA GERTRUDE, Rhyl Sept 9 Jas Ore, Birmingham
SUTCLIFFE, MURIEL, Old Trafford, nr Manchester Sept 12 Bellhouse & Syer, Manchester
TAYLOR, WILLIAM SANSOM, Hampstead Aug 8 Pillev & Mitchell, 29, Bedford row
WALLER, EMILY, Whitstable Sept 30 J F Whichcord, Canterbury
WESTON, HARRY AVERN, Blackpool Oct 31 Robert Innes, Manchester
WALLMAN, SARAH, Harston, Cambridge Aug 29 W J Howard, Lincoln House, Forest